



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768

Fax: (517) 373-1986

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2017-18 YEAR-TO-DATE*	FY 2018-19 INITIAL APPROPS.	CHANGES FROM FY 2017-18 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,447.0	1,450.0	3.0	0.2
GROSS	1,202,577,900	1,115,295,600	(87,282,300)	(7.3)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,202,577,900	1,115,295,600	(87,282,300)	(7.3)
Less:				
Federal Funds	762,144,800	762,645,800	501,000	0.1
Local and Private	6,120,900	6,121,700	800	0.0
TOTAL STATE SPENDING	434,312,200	346,528,100	(87,784,100)	(20.2)
Less:				
Other State Restricted Funds	206,056,700	205,432,300	(624,400)	(0.3)
GENERAL FUND/GENERAL PURPOSE	228,255,500	141,095,800	(87,159,700)	(38.2)
PAYMENTS TO LOCALS	11,300,000	31,400,000	20,100,000	177.9

*As of June 21, 2018.

FY 2017-18 Year-to-Date Gross Appropriation	\$1,202,577,900
--	------------------------

Changes from FY 2017-18 Year-to-Date:

Items Included by the Senate and House

- 1. Workforce Development Program.** The **Governor/Senate/House/Conference** increased the Workforce Development Program (WDP) due to an increase in the Federal award amount for the Employment and Training Program. The increase is supported by Federal funds. 501,000
- 2. Drinking Water Declaration of Emergency.** The **Governor/Senate/House/Conference** included a \$100 placeholder in one-time appropriations to allow for potential transfers from the Drinking Water Declaration of Emergency Fund if necessary. 100
- 3. Community College Skilled Trades Equipment Program.** The **Governor/Senate/House/Conference** changed the fund source for this \$4.6 million debt service payment from GF/GP to Penalties and Interest revenue. 0
- 4. Technical Adjustments.** The **Governor/Senate/House/Conference** reversed defined calculations and made a number of adjustments to line items that were supported by various Federal funds and the 21st Century Jobs Trust Fund, which do not allow for economic increases. (1,653,900)
- 5. Internal FTE and Appropriation Transfers.** The **Governor/Senate/House/Conference** made a number of internal transfers throughout the Department. This included transferring 12.0 FTEs and \$2.5 million in Federal funds from the UIA and WDA to the Department's Executive Direction; transferring \$2.3 million in Federal funds from WDP to WDA and Talent Investment Agency Executive Direction; and transferring \$150,000 from the MSF to the Land Bank Fast Track Authority. 0
- 6. Economic Adjustments.** Includes \$2,693,700 Gross and \$270,200 GF/GP for total economic adjustments, of which an estimated \$136,000 Gross and \$20,300 GF/GP is for legacy retirement costs (pension and retiree health). 2,693,700

Conference Agreement on Items of Difference

7. **Michigan Enhancement Grant.** The **Senate** continued or included new Michigan enhancement grants, which are outlined in boilerplate section 1047 and is all supported by GF/GP. The **Conference** included two grants outline in section 1047 and is all support by GF/GP. 1,350,000
8. **Pure Michigan.** The **Senate/Conference** included a \$1.0 million Gross and GF/GP increase to Pure Michigan. 1,000,000
9. **UIA Placeholder.** The **Senate** included a \$100 placeholder in the UIA to pay off the UIA debt owed from the dissolved Inkster School district. The **Conference** did not include. 0
10. **One-Time Appropriations Removal.** The **Governor** removed a number of FY 2017-18 one-time appropriations, which include: Arts and Culture Grants (\$1.0 million), Michigan Enhancement Grants (\$59,053,100), Protect and Grow (\$1.0 million), Special Grants (\$2.7 million), and Talent Marketing (\$5.0 million). All of these appropriations were supported by GF/GP. The **Senate** concurred with the Governor's removal of FY 2017-18 one-time appropriations except Arts and Culture Grants (\$1.0 million) and included the removal of Project Rising Tide (\$2.0 million). The **House** included Arts and Culture Grant (\$1.0 million) and Project Rising Tide (\$1.0 million). The **Conference** included \$1.0 million for Arts and Culture Grants and \$1.0 million for Project Rising Tide. (68,753,100)
11. **Going Pro Reduction and Fund Shift.** The **Governor** reduced the one-time appropriation portion of this program by \$5.5 million Gross and GF/GP. Also, the Governor changed the fund source for \$25.0 million of Penalties and Interest revenue to GF/GP. The **Senate** concurred with the \$5.5 million Gross and GF/GP reduction but maintained \$25.0 million as Penalties and Interest revenue. The **House** concurred with the \$5.5 million Gross and GF/GP, rolled out the At-Risk Youth Grants (\$3.0 million) and maintained \$28.4 million as Penalties and Interest Revenue. The **Conference** concurred with the \$5.5 million Gross and GF/GP, rolled out the At-Risk Youth Grants (\$3.0 million) and fund shifted \$22.0 million throughout the Talent Investment Agency. (5,500,000)
12. **Business Attraction and Community Revitalization.** The **Governor** reduced the program by \$5,120,100 Gross and GF/GP. Also, the Governor changed the fund source for \$2.0 million from GF/GP to the 21st Century Jobs Trust Fund. The **Senate** reduced the program by an additional \$10,237,000 Gross and GF/GP under the Governor. Total appropriations is \$100.1 million Gross for FY 2018-19. The **House** reduced the line item \$10,379,900 below the Gov, appropriating \$100.0 million Gross for FY 2018-19. The **Conference** reduced the line item \$5.0 million Gross and GF/GP below the Governor. (10,120,100)
13. **Community Venture Reduction.** The **Governor/Senate** reduced Gross appropriations by \$3.3 million. Of that total, \$2,993,300 was Penalties and Interest revenue and \$306,700 was GF/GP. Also, the Governor and Senate transferred 7.0 FTEs and \$1.5 million Penalties and Interest revenue to Workforce Development Administration (WDA). The **House** reduced the line item \$1.5 million below the Governor. The **Conference** reduced the line item \$1.0 million below the governor, appropriating \$4.0 million Gross and Penalties and Interest Revenue for FY 2018-19. (4,300,000)
14. **Entrepreneurship EcoSystem.** The **Governor/Senate/Conference** reduced the program by \$1.5 million Gross and 21st Century Jobs Trust Fund dollars. Also, the Governor changed the fund source for \$500,000 of 21st Century Job Trust Fund revenue to GF/GP. The \$2.0 million in total 21st Century Jobs Trust Fund reductions were moved to the Business Attraction and Community Revitalization. Finally, the Governor moved \$2.5 million from ongoing to one-time appropriations. The **House** included an additional \$1.0 million above the Governor. (1,500,000)
15. **Land Bank Fast Track Authority.** The **Governor/Senate/Conference** removed \$1.0 million in ongoing appropriations to the Authority while adding 3.0 FTEs. The **House** reduced the line item \$500,000 Gross and GF/GP below the Governor. (1,000,000)

16. **FY 2018-19 One-Time Gross Appropriations.** The **Conference** include a number of one-time appropriations, which include: Arts and Culture Grants (\$1.0 million), Going Pro (10.0 million), Special Grants (\$1.35 million), Project Rising Tide (\$1.0 million), Entrepreneurship Ecosystem (\$2.5 million), and the Drinking Water Declaration of Emergency placeholder (\$100).

Total Changes	(\$87,282,300)
---------------------	----------------

FY 2018-19 Initial Ongoing/One-Time Gross Appropriation	\$1,115,295,600
---	------------------------

Boilerplate Changes from FY 2017-18 Year-to-Date:

Items Included by the Senate and House

1. **Senate Deleted Sections.** The **Governor/Conference** deleted a number of sections, which include: 1038 (FRIB report), 1040 (Department's use of an accounting system), 1048 (Entrepreneurship Eco-System grant, 1051 (Talent Marketing metric requirement), 1054 (Protect and Grow metric requirement), 1055 (DTED-Grant), 1067 (Helmets to Hardhats), 1069 (Focus Hope),
2. **Section Deleted by the Governor and retained by the Senate/House/Conference.** The **Governor** deleted and **Senate/House/Conference** retained a number of sections, which include: 1010 (Jobs for Michigan Investment Fund report), 1033 (Michigan Film and Media Office activity report), 1041 (limits the amount that can be transferred to Business Attraction and Community Development to no more than 60% before April 1), 1053 (Arts and Culture Grants), 1071 (Jobs for Michigan's Graduates Program), and 1084 (Going Pro metric requirement).
3. **Date Modification.** The **Governor** changed the reporting data for a number of sections from March 15th to April 10th. The **Senate/House/Conference** maintained the current March 15th due date. (Secs. 1005, 1009, 1034, 1038, 1050, 1068, and 1079)
4. **Going Pro Administration.** The **Governor/Senate/House/Conference** expanded the language for "skilled trades training program" and "jobs created, jobs retained" for Going Pro administration. (Sec. 1065)
5. **Technical Modifications.** The **Governor/Senate/House/Conference** made a number of technical adjustments to reflect date changes, Part 1 appropriations total, legacy cost estimates, and standardized language. (Secs. 201, 981, 1011, 1032, 1040, 1043, 1044, 1050, 1053, 1076, 1084)

Conference Agreement on Items of Difference

6. **Section Deleted by the Governor and retained/modified by the Conference.** The **Governor** deleted and **Conference** retained or modified a number of sections, which include: 990 (the **Conference** maintained the current MSHDA report), 1047 (the **Conference** included two Special Grants), 1052 (Rising Tide metric requirement), 1070 (Graduation for Life grant), 1080 (Community Venture matching allowance), 1081 (Statewide System for Data Integration status report), and 1082 (Sustainable Employment Pilot status report).
7. **Michigan Strategic Fund.** The **House/Conference** rolled out the Michigan Strategic Fund reporting requirements section into three different section for statutorily required reports (Sec. 1004), boilerplate required reports (Sec. 1006), and an Michigan Economic Development Corporation budget and activity report (Sec. 1007).
8. **Broadband Bond Restriction.** The **Senate/Conference** included a new section that restricts the Department, MSF, and MSHDA from issuing or refinancing any bonds relating to broadband. (Sec. 983)
9. **Waterway Economic Vitality Fund.** The **Senate** created a new fund and program that provides grants towards the dredging of waterways around harbors for the purpose of maintaining the economic vitality of those harbors and allows remaining funds to be carried forward into a work project. The **Conference** did not include. (Sec. 1004)
10. **UIA Placeholder.** The **Senate** included a \$100 placeholder in the UIA to pay off the UIA debt owed from the dissolved Inkster School district. The **Conference** did not include(Sec. 1072)
11. **UIA Fraudulent Claim RFP.** The **Senate** included a new section that requires that the UIA issue a \$300,000 RFP for a pilot project that assists in analyzing, reviewing, and dispositioning the high-volume of fraudulent claims using cloud-based solutions. The **Conference** did not include(Sec. 1077)

12. **Going Pro Line Item Report.** The **House/Conference** included a new report that includes the expenditure of the Going Pro line items by program/grant type for the prior fiscal year and projected expenditures for the current fiscal year. (Sec. 1064)

Date Completed: 6-21-18

Fiscal Analyst: Cory Savino